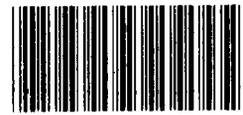


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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D. C. 20548

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STATEMENT OF
JAMES T. HALL, JR., MANAGER
OF THE
LOS ANGELES REGIONAL OFFICE
U. S. GENERAL ACCOUNTING OFFICE *G-10000345*
BEFORE THE
SUBCOMMITTEE ON STATE, JUSTICE, COMMERCE AND THE JUDICIARY
SENATE COMMITTEE ON APPROPRIATIONS *SEN00312*
ON THE
[DRUG ABUSE PROBLEM IN THE SOUTHWEST]



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I AM PLEASED TO APPEAR BEFORE YOU TODAY TO DISCUSS OUR RECENT WORK AND ITS RELEVANCE TO THE DRUG ABUSE PROBLEM IN THE SOUTHWEST. LAST OCTOBER WE TESTIFIED BEFORE THIS SUBCOMMITTEE CONCERNING OUR REPORT ON THE FEDERAL GOVERNMENT'S DRUG ENFORCEMENT AND SUPPLY CONTROL EFFORTS OVER THE LAST 10 YEARS. TODAY I WILL HIGHLIGHT PORTIONS OF THAT REPORT, "GAINS MADE IN CONTROLLING ILLEGAL DRUGS, YET THE DRUG TRADE FLOURISHES" (GGD-80-4), WHICH ARE PERTINENT TO THE SUBCOMMITTEE'S DELIBERATIONS IN ARIZONA. I WILL ALSO INCLUDE INFORMATION WE RECENTLY DEVELOPED AT THE REQUEST OF THIS SUBCOMMITTEE.

IN OUR OCTOBER REPORT, WE POINTED OUT THAT ALTHOUGH DRUG CONTROL EFFORTS HAVE SHOWN SOME POSITIVE RESULTS, INCLUDING REDUCED AVAILABILITY OF HEROIN, DRUG ABUSE AND TRAFFICKING STILL FLOURISH. THE GAINS MADE IN REDUCING THE ADVERSE IMPACT OF ILLEGAL DRUGS ARE FRAGILE, REQUIRING CONSTANT VIGILANCE, AS

- SOURCE COUNTRIES MOVE QUICKLY TO FILL TEMPORARY DRUG SHORTAGES,
- TRAFFICKING PATTERNS SHIFT, AND
- THE TYPES OF DRUGS CONSUMED READILY CHANGE.

FOR EXAMPLE, BREAKING THE FRENCH CONNECTION CREATED ONLY A TEMPORARY HEROIN SHORTAGE. AS THOSE IN ARIZONA AND OTHER BORDER STATES WELL KNOW, MEXICO SOON EMERGED AS THE PRINCIPAL SUPPLIER OF HEROIN TO THE UNITED STATES. SUBSEQUENTLY, AS MEXICAN HEROIN BECAME LESS AVAILABLE HEROIN FROM SOUTHEAST ASIA AND THE MIDDLE EAST HAS INCREASED. IN ADDITION OUR RECENT WORK SHOWS THAT USE OF DANGEROUS SYNTHETIC DRUGS HAS INCREASED AS HEROIN USERS FIND IT DIFFICULT TO OBTAIN HEROIN.

THE DRUG PROBLEM CONTINUES TO PERSIST THROUGHOUT THE UNITED STATES BECAUSE OF THE ENORMOUS SUPPLY OF AND DEMAND FOR DRUGS. THIS SITUATION HAS CREATED A MULTI-BILLION DOLLAR BUSINESS IN WHICH THE RISKS ARE LOW RELATIVE

TO THE PROFITS THAT CAN BE MADE. WHILE LAW ENFORCEMENT CREATES OBSTACLES, IT IS EASY TO ENTER AND DISTRIBUTE DRUGS IN THE UNITED STATES. AS A RESULT, DRUG TRAFFICKING ATTRACTS PEOPLE FROM ALL WALKS OF LIFE, INCLUDING DOCTORS, LAWYERS, ACCOUNTANTS, BUSINESSMEN, AND ENTERTAINERS, WHO SEE OPPORTUNITIES THAT FAR EXCEED THOSE OFFERED BY LEGITIMATE BUSINESSES.

WHILE THE STATED FEDERAL DRUG STRATEGY SEEKS TO CONTAIN, AND ULTIMATELY REDUCE THE SUPPLY OF ILLICIT DRUGS, THE ENORMITY OF THE UNDERTAKING HAS FRUSTRATED ATTEMPTS TO ACHIEVE THIS GOAL. FURTHERMORE, THE ACTIONS NEEDED TO FULLY SUPPORT THE FEDERAL DRUG STRATEGY HAVE NOT MATERIALIZED. WE REPORTED THAT U. S. DRUG SUPPLY REDUCTION EFFORTS HAVE YET TO ACHIEVE A WELL-INTEGRATED, BALANCED, AND TRULY COORDINATED APPROACH. WE FOUND THE FOLLOWING PROBLEMS HAMPERING FEDERAL DRUG ENFORCEMENT EFFORTS

- THE UNITED STATES, EMPHASIZING SHORT-TERM MEASURES TO REDUCE DRUG AVAILABILITY, HAS NOT RECEIVED THE DEGREE OF INTERNATIONAL SUPPORT NEEDED TO OVERCOME THE LONG-TERM NATURE OF THE PROBLEM (I.E., SOCIAL, POLITICAL, AND ECONOMIC CONDITIONS IN PRODUCING COUNTRIES) NOR IS IT LIKELY THAT THESE PROBLEMS WILL BE OVERCOME WITHIN THE FORESEEABLE FUTURE.
- FEDERAL AGENCIES HAVE NO COMPREHENSIVE BORDER PLAN; AT THE BORDER THEY PURSUE THEIR OWN SEPARATE INTERESTS AND OVERALL BORDER SECURITY SUFFERS. THIS HAS DILUTED BORDER COVERAGE AND MEANT THAT THE BORDER DOES NOT SERIOUSLY IMPEDE THE ILLEGAL ENTRY OF DRUGS.
- LEGAL OBSTACLES, LACK OF EXPERTISE, LITTLE OVERALL DIRECTION, AND CHANGING PRIORITIES HAVE PREVENTED FEDERAL AGENCIES FROM FULLY USING AND COORDINATING THE SKILLS, JURISDICTIONS, AND RESOURCES UNIQUE TO THEIR AGENCIES. AS A RESULT THE FEDERAL GOVERNMENT HAS HAD ONLY LIMITED SUCCESS IN IMMOBILIZING HIGH-LEVEL TRAFFICKERS AND THEIR ORGANIZATIONS THROUGH CONSPIRACY AND FINANCIAL INVESTIGATIONS.

--BAIL AND SENTENCING PRACTICES THROUGHOUT THE COUNTRY HAVE FURTHER WEAKENED EFFORTS TO IMMOBILIZE DRUG TRAFFICKERS. MANY ARRESTED FOR TRAFFICKING TAKE ADVANTAGE OF THE BAIL LAW AND DEAL IN DRUGS WHILE AWAITING TRIAL, WHILE THOSE EVENTUALLY CONVICTED ARE OFTEN INCARCERATED FOR SHORT PERIODS.

--WHILE THE FEDERAL GOVERNMENT HAS PLACED INCREASED RELIANCE UPON STATE AND LOCAL DRUG ENFORCEMENT EFFORTS, THERE IS NO CLEAR AGREEMENT CONCERNING THE APPROPRIATE DIVISION OF RESPONSIBILITY BETWEEN THESE AND FEDERAL AGENCIES. THIS COUPLED WITH THE ENORMOUS NUMBER OF JURISDICTIONS, AND FINANCIAL AND POLITICAL REALITIES, MAKE IT VERY DIFFICULT TO MOBILIZE FEDERAL, STATE, AND LOCAL RESOURCES IN A COORDINATED NATIONWIDE ATTACK ON DRUG TRAFFICKING.

THE WORK WE PERFORMED IN JANUARY AND FEBRUARY OF THIS YEAR AT THE REQUEST OF THIS SUBCOMMITTEE SUBSTANTIATED THAT MAJOR FINDINGS SET FORTH IN OUR OCTOBER REPORT ARE CURRENTLY APPLICABLE TO ARIZONA AND OTHER PARTS OF THE SOUTHWEST. BASED UPON OUR RECENT INTERVIEWS OF FEDERAL, STATE, AND LOCAL LAW ENFORCEMENT OFFICIALS, THE CONSENSUS IS THAT

- THERE HAVE BEEN GAINS MADE IN REDUCING HEROIN AVAILABILITY IN THE SOUTHWEST, BUT THE OVERALL DRUG PROBLEM MAY BE GREATER THAN EVER; AND
- INTELLIGENCE SHARING AND INVESTIGATIVE COOPERATION HAS IMPROVED, BUT THE INTEGRATED ATTACK ON DRUG TRAFFICKING WE BELIEVE IS NECESSARY HAS NOT BEEN MOUNTED.

DRUG TRAFFICKING AND ABUSE IN THE SOUTHWEST

✓ DRUG TRAFFICKING AND ABUSE CONTINUE TO FLOURISH IN THE SOUTHWEST ✓
WHILE LAW ENFORCEMENT OFFICIALS IN PHOENIX AND TUCSON REPORTED TO US THAT SOME INROADS HAVE BEEN MADE IN REDUCING THE SUPPLY OF HEROIN, LARGE QUANTITIES ARE STILL AVAILABLE.

THE GAINS MADE AGAINST HEROIN ARE LARGELY ATTRIBUTED TO THE SUCCESS OF MEXICO'S ERADICATION PROGRAM AND TO SEVERE DROUGHTS. HOWEVER, CONCERN WAS EXPRESSED AS TO HOW LONG MEXICO'S EFFORTS WOULD CONTINUE; WITH SOME AUTHORITIES FEARING THAT THE GAINS MADE IN MEXICO ARE EXTREMELY FRAGILE THUS EMPHASIZING THE NEED FOR LAW ENFORCEMENT TO MAINTAIN A CONSTANT VIGILANCE.

UNFORTUNATELY, AS HEROIN AVAILABILITY HAS DECLINED IN THE SOUTHWEST THE USE OF OTHER ^{synthetic alternative} DRUGS HAS GROWN DRAMATICALLY. HEROIN ADDICTS SEEKING ALTERNATIVES TO THE HIGH PRICED, POOR QUALITY HEROIN CURRENTLY AVAILABLE HAVE TURNED TO SYNTHETIC OPIATES SUCH AS DILAUDID OR TO OTHER DANGEROUS DRUGS SUCH AS DARVON OR TALWIN. FOR EXAMPLE, THE DEMAND FOR LEGALLY MANUFACTURED DRUGS RESULTED IN A SUBSTANTIAL INCREASE IN PHOENIX AREA PHARMACY ROBBERIES AND INCREASED USE OF BOGUS PRESCRIPTIONS. IN ADDITION, LAW ENFORCEMENT OFFICIALS EXPRESSED CONCERN THAT THE WHITE HEROIN NOW BEING FOUND MOSTLY ON THE EAST COAST WOULD SOON FIND ITS WAY TO ARIZONA.

THE READY AVAILABILITY OF COCAINE AND COLUMBIAN GROWN MARIJUANA ON THE STREETS HAS ADDED TO LAW ENFORCEMENT'S DILEMMA IN DETERMINING WHERE TO APPLY ITS LIMITED RESOURCES. COCAINE TRAFFICKING IS SO RAMPANT, ONE INVESTIGATOR IN ARIZONA TOLD US, THAT COCAINE BUSTS CAN BE MADE ON ANY GIVEN DAY. SOME INVESTIGATORS TOLD US THAT, BECAUSE THESE CASES ARE SO EASY TO MAKE AS COMPARED TO HEROIN CASES, LAW ENFORCEMENT PRIORITIES HAVE ESSENTIALLY SHIFTED AWAY FROM HEROIN TO THESE TARGETS OF OPPORTUNITY.

THE PRODUCTION OF PCP AND METHAMPHETAMINES BY ILLICIT LABORATORIES HAS ALSO HELPED TO CREATE AN OVERALL DRUG ABUSE PROBLEM LARGER THAN EVER. THESE RELATIVELY INEXPENSIVE, EASILY MANUFACTURED DRUGS ARE EXTREMELY DANGEROUS TO USERS, BUT HIGHLY PROFITABLE TO UNSCRUPULOUS PRODUCERS. A FEW HUNDRED DOLLARS INVESTMENT CAN, FOR EXAMPLE, PRODUCE PCP WITH A STREET VALUE IN EXCESS OF \$100,000.

LAW ENFORCEMENT COOPERATION

WE WERE TOLD BY MOST OFFICIALS THAT INTELLIGENCE SHARING AND INVESTIGATIVE COOPERATION AMONG FEDERAL, STATE, AND LOCAL LAW ENFORCEMENT AGENCIES IN THE SOUTHWEST HAS IMPROVED IN RECENT YEARS. A LARGE PART OF THE CREDIT FOR THESE IMPROVEMENTS IS DUE TO THE EFFORTS OF THE FEDERAL EL PASO INTELLIGENCE CENTER (EPIC) AND THE ARIZONA NARCOTICS INFORMATION NETWORK OF ARIZONA (NINA). EACH OF THESE SYSTEMS PERFORM A VALUABLE SERVICE BY LINKING AGENCIES TOGETHER WHEN INVESTIGATING THE SAME SUBJECTS, THUS FACILITATING COOPERATIVE INVESTIGATIONS.

AS PART OF OUR WORK AT THE REQUEST OF THE SUBCOMMITTEE, WE TALKED WITH 45 STATE AND LOCAL NARCOTICS OFFICERS IN THE SOUTHWEST WHO HAD REQUESTED AND RECEIVED EPIC INFORMATION. WE WANTED TO OBTAIN THEIR VIEWS ON EPIC'S SERVICES. THEIR COMMENTS WERE GENERALLY FAVORABLE--THE VAST MAJORITY OF THE OFFICERS TOLD US THAT EPIC'S INFORMATION WAS USEFUL AND ENHANCED THEIR INVESTIGATIONS. IN ADDITION, MOST OF THE OFFICERS SAID THAT THE REFERRALS TO DEA FIELD OFFICES BY EPIC HAD HELPED TO ACHIEVE BETTER COORDINATION OF ENFORCEMENT EFFORTS.

NARCOTICS OFFICERS IN ARIZONA ALSO BELIEVED THAT NINA HAD PLAYED A SIMILAR ROLE IN LINKING LOCAL INVESTIGATIVE AGENCIES TOGETHER. IN ADDITION, NINA PROVIDES SERVICES SUCH AS TELEPHONE TOLL ANALYSIS AND ADDITIONAL INFORMATION CHECKS WHICH HAVE BEEN VALUABLE TO LOCAL LAW ENFORCEMENT OFFICERS.

IMPROVED COOPERATION AND INTELLIGENCE SHARING ARE IMPORTANT STEPS TOWARD MAXIMIZING THE EFFECTIVENESS OF THE LIMITED FEDERAL, STATE, AND LOCAL LAW ENFORCEMENT RESOURCES THAT CAN BE MOUNTED AGAINST INCREASINGLY SOPHISTICATED DRUG TRAFFICKERS. HOWEVER, THESE MEASURES ARE NOT AN ADEQUATE SUBSTITUTE FOR THE WELL-INTEGRATED, COORDINATED EFFORT NECESSARY TO MAKE MAXIMUM INROADS WITH AVAILABLE RESOURCES. SUCH AN APPROACH WILL REQUIRE STATE AND LOCAL AGENCIES TO PLAY AN ACTIVE PART IN DEFINING AN OVERALL DRUG STRATEGY AND THE ROLE EACH AGENCY CAN MOST EFFECTIVELY PLAY.

TO SUMMARIZE, SENATOR, WE BELIEVE THAT THE DRUG ABUSE SITUATION IN THE SOUTHWEST REFLECTS THE PROBLEM NATIONWIDE--I.E., DRUG ABUSE IS INCREASING, NOT ABATING. THE WIDESPREAD AVAILABILITY OF ILLICIT DRUGS, AND THE INCREASING USE OF THESE DRUGS BY YOUNG PEOPLE, ATTEST TO THE CRISIS AT HAND. MAKING OTHER THAN TEMPORARY GAINS WILL REQUIRE A MUCH TOUGHER AND CONSISTENT STAND BY ALL PARTIES THAN HAS HISTORICALLY BEEN THE CASE.

SENATOR, THIS CONCLUDES MY STATEMENT. WE WOULD BE PLEASED TO RESPOND TO ANY QUESTIONS.